

Company No. LL 08316

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**FINANCIAL STATEMENTS**

**31 MARCH 2021**

**Registered office:**

Lot A020, Level 1  
Podium Level  
Financial Park  
Jalan Merdeka  
87000 F.T. Labuan  
Malaysia

**Principal place of business:**

Lot A020, Level 1  
Podium Level  
Financial Park  
Jalan Merdeka  
87000 F.T. Labuan  
Malaysia

Company No. LL 08316

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**FINANCIAL STATEMENTS**

**31 MARCH 2021**

**INDEX**  
\*\*\*\*\*

	<b>Page No.</b>
STATEMENT BY DIRECTORS	1
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	2 – 3
BALANCE SHEET	4
INCOME STATEMENT	5
STATEMENT OF CHANGES IN EQUITY	6
CASH FLOW STATEMENT	7
NOTES TO THE FINANCIAL STATEMENTS	8 – 13

Company No. LL 08316

- 1 -

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**STATEMENT BY DIRECTORS**

I, SONAI KEDHA SANKAR, being a director of FINEOTEX MALAYSIA LIMITED., do hereby state that, in the opinion of the directors, the financial statements set out on pages 4 to 13 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Company as at 31 March 2021 and of the results of its operations and the cash flows of the Company for the year ended on that date.

Signed in accordance with a resolution of the Directors.



---

SONAI KEDHA SANKAR

Dated: 15 April 2021

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
FINEOTEX MALAYSIA LIMITED**

(Company No.: LL 08316)

(Incorporated in the Federal Territory of Labuan, Malaysia)

**Report on the Financial Statements**

We have audited the financial statements of FINEOTEX MALAYSIA LIMITED, which comprise the balance sheet as at 31 March 2021 of the Company, and the income statement, statement of changes in equity and cash flow statement of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 13.

*Directors' Responsibility for the Financial Statements*

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with applicable approved accounting standards in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
FINEOTEX MALAYSIA LIMITED (CONT'D)**

(Company No.: LL 08316)

(Incorporated in the Federal Territory of Labuan, Malaysia)

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 March 2021 and of its financial performance and cash flows for the year then ended in accordance with applicable approved accounting standards in Malaysia.

**Other Matters**

This report is made solely to the members of the Company and for no other purpose. We do not assume responsibility to any other person for the content of this report.



S F CHANG & CO.  
Firm Number: AAL 0053  
Chartered Accountants



CHANG SIEW FOONG  
Approved Number: 02199/11/2021 J  
Chartered Accountant

KUALA LUMPUR  
Dated: 15 April 2021

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**BALANCE SHEET AS AT 31 MARCH 2021**

	Note	2021 USD	2020 USD
<b>Non-Current Asset</b>			
Investment in subsidiary companies	3	<u>2,053,328</u>	<u>2,043,328</u>
<b>Current Assets</b>			
Trade receivables		1,156,793	954,127
Other receivables	4	9,141	9,141
Amount owing by subsidiary companies	5	3,050	283,203
Fixed deposit placed with a licensed bank		-	498,716
Cash and bank balances		<u>1,444,397</u>	<u>271,708</u>
		<u>2,613,381</u>	<u>2,016,895</u>
<b>Current Liabilities</b>			
Trade payables		412,219	358,967
Other payables	6	14,613	30,950
Tax payable		3,264	2,955
		<u>430,096</u>	<u>392,872</u>
<b>Net current assets</b>		<u>2,183,285</u>	<u>1,624,023</u>
		<u>4,236,613</u>	<u>3,667,351</u>
<b>Financed by:</b>			
Share capital	7	1,890,218	1,890,218
Retained profits		<u>2,346,395</u>	<u>1,777,133</u>
		<u>4,236,613</u>	<u>3,667,351</u>

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**INCOME STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Note	2021 USD	2020 USD
Revenue		1,344,000	763,200
Direct costs		(1,344,000)	(665,600)
Commission income	8	-	97,600
Other offshore income	9	199,942	32,639
Administrative expenses		(91,150)	(89,122)
<b>Profit before tax</b>	10	108,792	41,117
Tax expense	11	(12,078)	-
<b>Net profit from offshore activities for the financial year</b>		96,714	41,117
<b>Income from domestic activities</b>			
Other domestic income	9	469,593	523,658
Administrative expenses		-	(32,914)
<b>Profit before tax</b>	10	469,593	490,744
Tax income/(expense)	11	2,955	(2,955)
<b>Net profit from domestic activities for the financial year</b>		472,548	487,789
<b>Total net profit for the financial year</b>		569,262	528,906

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	Note	Share Capital USD	Retained Profits USD	Total USD
Balance at 01 April 2019		1,890,218	1,493,227	3,383,445
Net profit for the financial year		-	528,906	528,906
Dividend	12	-	(245,000)	(245,000)
Balance at 31 March 2020		<u>1,890,218</u>	<u>1,777,133</u>	<u>3,667,351</u>
Balance at 01 April 2020		1,890,218	1,777,133	3,667,351
Net profit for the financial year		-	569,262	569,262
Balance at 31 March 2021		<u>1,890,218</u>	<u>2,346,395</u>	<u>4,236,613</u>



**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**CASH FLOW STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
<b>Cash Flows From Operating Activities</b>		
Profit before tax		
- Income from offshore activities	108,792	41,117
- Income from domestic activities	469,593	490,744
Operating profit before working capital changes	578,385	531,861
Decrease/(Increase) in working capital		
Trade receivables	(202,666)	406,033
Other receivables	-	(9,141)
Amount owing by subsidiary companies	280,153	421,363
Trade payables	53,252	(502,513)
Other payables	(16,337)	14,636
	114,402	330,378
Cash generated from operations	692,787	862,239
Tax paid	(8,814)	-
Net cash from operating activities	683,973	862,239
<b>Cash Flows From Investing Activity</b>		
Addition of investment in subsidiary companies	(10,000)	(78,368)
Net cash used in investing activity	(10,000)	(78,368)
<b>Cash Flows From Financing Activity</b>		
Dividend paid	-	(245,000)
Net cash used in financing activity	-	(245,000)
<b>Net increase in cash and cash equivalents</b>	673,973	538,871
<b>Cash and cash equivalents at beginning of the financial year</b>	770,424	231,553
<b>Cash and cash equivalents at end of the financial year</b>	1,444,397	770,424
Cash and cash equivalents at end of the financial year comprises:		
Cash and bank balances	1,444,397	271,708
Fixed deposit placed with a licensed bank	-	498,716
	1,444,397	770,424

**FINEOTEX MALAYSIA LIMITED**  
(Incorporated in the Federal Territory of Labuan, Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Corporate Information**

The principal activity of the Company is engaged in commission agent for procurement of goods and investment holding activities.

The Company is a private limited liability company, incorporated and domiciled in the Federal Territory of Labuan, Malaysia.

The holding company is Fineotex Chemical Limited, a company is incorporated in India.

The registered office and principal place of business of the Company are located at Lot A020, Level 1, Podium Level, Financial Park, Jalan Merdeka, 87000 F.T. Labuan Malaysia.

At the end of the financial year, the total number of employees of the Company excluding director was nil.

The Company was incorporated in Federal Territory of Labuan, Malaysia and is not required to produce annual audited financial statements. Hence, the financial statements were prepared for the purpose of preparation of consolidated financial statements of the holding company.

The financial statements are presented in United States dollar ("USD"), which is also the functional currency of the Company.

**2. Significant Accounting Policies**

**(a) Basis of accounting**

The financial statements of the Company have been prepared on the historical cost basis except as disclosed in the notes to the financial statements and in compliance with applicable approved accounting standards in Malaysia.

**(b) Investment in subsidiary companies**

A subsidiary company is an enterprise in which the Company has the power to exercise control over its financial and operating policies so as to obtain benefits from its activities.

Investments in subsidiary companies, are stated at cost less accumulated impairment losses, if any, in the Company's financial statements. Impairment loss is determined on an individual basis.

Gains or losses arising from the disposal of an investment is determined as the difference between the estimated net disposal proceeds and the carrying amount of the investment, and is recognised in the income statement.

**2. Significant Accounting Policies (Cont'd)****(c) Trade and other receivables**

Trade and other receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful receivables is made based on estimates of possible losses which may arise from non-collection of certain receivable accounts.

**(d) Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand, bank balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

**(e) Trade and other payables**

Trade and other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

**(f) Share capital**

Ordinary shares with discretionary dividends are classified as equity. Dividends on ordinary shares are recognised in equity in the year in which they are declared.

**(g) Foreign currencies**

Transactions in foreign currencies are converted into Ringgit Malaysia at the rates of exchange ruling at the transaction dates, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into USD at the rates of exchange ruling at that date and exchange differences are taken to the income statement. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined.

All exchange rate differences are taken to the income statement.

The closing exchange rates used for each unit of the main foreign currencies in the Company are:-

	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
1 USD	<u>4.16</u>	<u>4.32</u>

**2. Significant Accounting Policies (Cont'd)****(h) Revenue**

Revenue is recognised upon delivery of products and customer acceptance, net of discounts.

**(i) Income tax**

Taxation for the year comprises current tax.

Current tax is the expected amount of income taxes payable in respect of taxable profit for the financial year and is measured using the tax rates that have been enacted at the balance sheet date.

**3. Investment in Subsidiary Companies**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Unquoted shares, at cost		
In Malaysia	<u>2,053,328</u>	<u>2,043,328</u>

Details of the subsidiary companies are as follows:

<b>Name of Company</b>	<b>Country of incorporation</b>	<b>Effective equity interest</b>		<b>Principal activities</b>
		<b>2021</b>	<b>2020</b>	
BT Biotex Sdn. Bhd.	Malaysia	72.38%	67.62%	Trading & Exporting
BT Chemicals Sdn. Bhd.	Malaysia	71.92%	67.16%	Trading & Exporting
Rovatex Sdn. Bhd.	Malaysia	74.76%	70.00%	Manufacturing
BT Biotex Limited	United Arab Emirates	100.00%	-	Trading & Exporting

**4. Other Receivables**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Other receivables	<u>9,141</u>	<u>9,141</u>

**5. Amount Owing by Subsidiary Companies**

The amount owing by subsidiary companies represents the unsecured interest free advances and repayable on demand.

**6. Other Payables**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Other payables	4,215	9,442
Accruals	10,398	21,508
	<u>14,613</u>	<u>30,950</u>

**7. Share Capital**

	<b>2021</b>		<b>2020</b>	
	<b>Number of shares</b>	<b>USD</b>	<b>Number of shares</b>	<b>USD</b>
<b>Ordinary shares - Issued and fully paid</b>	<u>1,890,218</u>	<u>1,890,218</u>	<u>1,890,218</u>	<u>1,890,218</u>

**8. Commission Income**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Commission income	<u>-</u>	<u>97,600</u>

9. **Other Income**

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
<b>Income from offshore activities</b>		
Agency fees	150,000	20,326
Consultancy charges	8,069	-
Gain on foreign exchange - Realised	23,457	-
Interest income	17,148	12,313
Wages subsidy from government	1,268	-
	<u>199,942</u>	<u>32,639</u>
<b>Income from domestic activities</b>		
Dividend income from subsidiary Company	467,600	523,658
Gain on foreign exchange - Realised	1,993	-
	<u>469,593</u>	<u>523,658</u>

10. **Profit before Tax**

Profit before tax is derived after charging:

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Auditors' remuneration		
- Current year	963	556
- Under provision in prior year	-	20
Directors' remuneration	8,481	41,252
Loss on foreign exchange - Realised	-	42,233
	<u>-</u>	<u>42,233</u>

11. **Tax (Income)/Expense**

Component of tax (income)/expense:

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
<b>Tax expense from offshore activities</b>		
Current tax expense	3,264	-
Under provision in prior year	8,814	-
	<u>12,078</u>	<u>-</u>
<b>Tax (income)/expense from domestic activities</b>		
Current tax expense	-	2,955
Over provision in prior year	(2,955)	-
	<u>(2,955)</u>	<u>2,955</u>

**12. Dividend**

	<b>2021 USD</b>	<b>2020 USD</b>
<b>Final Dividend</b>		
- A single tier tax exempt dividend of USD 0.2316 per share for the financial year ended 31 March 2019	-	165,000
<b>Interim Dividend</b>		
- A single tier tax exempt dividend of USD 0.2316 per share for the financial year ended 31 March 2020	-	80,000
	<u>-</u>	<u>245,000</u>

**13. Date of Authorisation for Issue**

The financial statements of the Company for the financial year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors on 15 April 2021.